

REMARKS

In the Official Action mailed on **04 August 2009**, the Examiner reviewed claims 1-30. Examiner rejected claims 1-10, and 12-30 under 35 U.S.C. § 103(a) based on LaMotta et al. (U.S. Pub. No. 2003/0126018, hereinafter “LaMotta”), in view of Sullivan (U.S. Pub. No. 2003/0055754, hereinafter “Sullivan”), and in further view of Bross (U.S. Pub. No. 2005/0055290). Examiner rejected claim 11 under 35 U.S.C. § 103(a) based on LaMotta, and George (U.S. Patent No. 5,946,668, hereinafter “George”).

Rejections under 35 U.S.C. § 103(a)

Examiner rejected independent claims 1, 15, 19, 23, and 27 as being unpatentable over LaMotta in view of Sullivan and Bross. Applicant respectfully disagrees, because none of LaMotta, Sullivan and Bross discloses **determining an applicable tax corresponding to a tax regime and a tax jurisdiction at a given level of granularity**, a taxable basis for the applicable tax, and a tax status for the applicable tax.

Embodiments of present invention determine an applicable tax corresponding to a tax regime and a tax jurisdiction at a given level of granularity. For example, Table 1 illustrates different tax regimes, tax jurisdictions and taxes for different countries. The tax regimes and tax jurisdictions go from the highest level to the most detailed level of granularity. Moreover, there may be one or more tax regimes in a country; each regime can consist of one or more taxes; each tax is of a given tax type, which is a high level classification such as Sales Tax, Excise Tax and Mineral Oil Tax; and each tax can be levied in one or more tax jurisdictions. (*See* Instant Application at paragraphs [0049]-[0052]). Thus, the tax engine of the present invention is able to determine the tax regime and the tax jurisdiction **at a given level of granularity**.

In the Office Action, Examiner refers to paragraph [0014] and FIG. 24 of LaMotta as disclosing the tax rule base and the tax knowledge base of the present invention. However, the cited sections merely disclose:

... a geographical region component which determines one or more geographical regions associated with a product ship-to address or the address of a seller. A tax district component is utilized to determine one or more appropriate tax districts associated with the predetermined geographical regions. The system also includes a tax component which determines the taxes associated with the one or predetermined tax districts.

(See LaMotta at paragraph [0014]).

Thus, LaMotta fails to disclose the limitation of **determining an applicable tax corresponding to a tax regime and a tax jurisdiction at a given level of granularity**, because the “taxes associated with the one or predetermined tax districts” are not determined at a given level of granularity.

Similarly, Examiner states that Sullivan discloses performing tax computations for another local jurisdiction which is simultaneously applicable, citing paragraphs [0058] and [0062] of Sullivan. (See Office Action at Page 3). Nevertheless, the cited paragraphs merely disclose that:

The tax situs may be any data or signal indicative of a tax situs, including a jurisdiction identifier, a state code, a zip code, a city identifier, a county identifier, a geographical location code, or any other unique identifier of a tax situs. The tax type may be any data or signal indicative of a tax type, including an identifier, description or any other unique identifier of at least one tax type, including, but not limited to, customs taxes, excise taxes, sales taxes, use taxes, gross receipts taxes, utility taxes, business and occupation taxes, and value added taxes. The tax rate may be any data or signal indicative of a tax rate, including a percentage, a code, or other unique identifier of a tax rate...

(See Sullivan at paragraph [0062]).

Therefore, Sullivan also fails to disclose the limitation of **determining an applicable tax corresponding to a tax regime and a tax jurisdiction at a given level of granularity**, because the tax type and the tax rate of Sullivan are not

determined based on a particular level of granularity (e.g., jurisdiction level, state level, city level, county level, etc.). At most, Sullivan discloses exempting the whole transaction from a particular level of taxes, e.g., for a particular jurisdiction level such as local taxes (*see* Sullivan at paragraph [0064]). However, exempting taxes is distinguishable from determining an applicable tax, because the taxes and thus the levels of granularity for the taxes are both known prior to exempting the taxes, but not prior to determining an applicable tax.

Finally, Bross also fails to remedy the deficiency of LaMotta and Sullivan. In the Office Action, Examiner refers to paragraphs [0032], [0065], [0140]-[0141] and [0077] as disclosing “tax rules and data comprise a country name, a tax regime identifier, a tax identifier, a tax-type identifier, and a tax-jurisdiction identifier. (*See* Office Action at Page 4). However, Applicants find no disclosure in Bross of determining an applicable tax corresponding to a tax regime and a tax jurisdiction **at a given level of granularity**.

Accordingly, Applicant has amended independent claims 1, 15, 19, 23, and 27 to clarify that embodiments of the present invention determine an applicable tax corresponding to at least the tax regime and the tax jurisdiction at a given level of granularity. Support for these amendments is found in instant application at paragraphs [0049]-[0052] and Table 1. No new matter has been added.

Hence, Applicant respectfully submits that independent claims 1, 15, 19, 23, and 27 as presently amended are in condition for allowance. Applicant also submits that claims 2-14, which depend upon claim 1, claims 16-18, which depend upon claim 15, claims 20-22, which depend upon claim 19, and claims 24-26, which depend upon claim 23, and claims 28-30, which dependent upon claim 27, are for the same reasons in condition for allowance and for reasons of the unique combinations recited in such claims.

CONCLUSION

It is submitted that the present application is presently in form for allowance. Such action is respectfully requested.

Respectfully submitted,

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